

Case Study Summary: BULGARIAN ROSE OIL

Brief description of product (specification) and area	Essential oil produced by roses. The roses are of specific breed – Rosa Damascena (exists detail descriptions of the chemical characteristics of the product and its production process). The area of production is called Rose Valley, it is in the centre of Bulgaria near Karlovo, Kalofer and Kazanlak.
Background/history/motivation	The Rose oil is a traditional product for this region from centuries and has gained its good image among the producers of perfumery and cosmetics. Mostly in Europe in the beginning of the previous century and after that in Northern America, Asia and some Arab countries. The industry makes great efforts to keep the good reputation of the product. The product is of very high quality and has big price premium. The producers unite around the idea of keeping the quality standards; they use one laboratory for testing the quality of the products. The registration of the GI exists mainly to prevent acts of unfair completion and bad faith producers who sell rose oil from other countries, stating that it is made in Bulgaria (Bulgarian rose oil).
Status of protection (PDO or PGI), other labels/trademarks	Protected Designation of Origin under the Bulgarian Law on Marks and GIs. Protected Designation of Origin under the Lisbon Agreement.
Environment: Overall assessment	The production of Rose oil can be divided in 2 stages – breeding of the roses and production of the oil. The first stage breeding of the roses has very positive effect it stimulates the biodiversity, the preservation of the environment in the region and the landscape. The second stage has one negative feature – for the production of the oil the distilleries use diesel, which generates some bad emissions. At present there is no possibility for using natural gas as this is not developed in Bulgaria. But compared with the other alternative industries even this stage has better effect.
Environment: Most important effects (positive/negative?)	+ shortens the energy demand as the production of the final product and the production of the raw material are at one and the same place; + has good effect on the biodiversity (the roses are breed in such regions which usually can not be effectively used for other agricultural needs); - for the bad emission during the distillation process (which takes place only once in the year);
Effects on regional economy: overall assessment	Positive effect, the product is mostly for export, supports the local community, the R&D sector in the area, supports the tourism, advertising and PR of the region.
Economy: key data (e.g. scale of production, jobs, price premium...)	Jobs – the biggest part of the employees involved in the production are hired only for the picking season (around 20 days). But the salaries are comparatively high and usually the employees do this kind of work as a second job. The percentage of the employees engaged for the whole year is lower; price premium – up to 100%;
Organisation of producers' group, structure of production	There is no unified organization protecting the interests of the producers. There is the Association of the Producers of perfumery,

and marketing. What role does producers' group play?	cosmetics and essential oils and the Union of the producers of rose blossom. There is also one big producer of rose oil (the biggest) who is the main exporter and who controls the quality and the prices of the rose oil.
Role of subsidies – national/EU funding supporting the product or the region (e.g. LEADER)	The existence of subsidies pay major role in the sector. There has been a period in the near future that all the subsidies have been stopped and which has played a negative effect on the sector. During the recent years there are subsidies again but only for the planting materials – they are connected with the renovation of the plantations. The subsidies of the sector support the breeders and reflect the investment in R&D, the improvement of the quality and the implementation of new quality standards.
Synergies with other sectors/issues, e.g. regional identity, social structure of the region etc.	The rose oil has become a symbol of the area, which strongly supports the tourism and the cultural sector. It is important to note that the importance of the rose oil as symbol has passed over the borders of the region and has become an emblematic feature of the country itself.
Characterisation of the case – Role of GI for the product. What is particularly interesting, what can be learned from the case?	The role of the Gi in this case is major, as it shows how one single GI product develops one whole region and becomes symbol of one country – there are places where the country is identified and recognized only with this characteristic product.